

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: INTERSTATE POWER COMPANY, IES UTILITIES INC., and MIDAMERICAN ENERGY COMPANY	DOCKET NOS. ARC-98-150 ARC-98-151 ARC-98-156
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ORDER

(Issued June 22, 1999)

At the hearings held in the 1998 ARC dockets on September 3, 1998, many of the questions from the Utilities Board (Board) focused on coal supply at each utility's electric generating plants and the utility's plans to increase inventory to an adequate level. Each utility testified that rail problems were the major contributor to low inventory levels. On September 25, 1998, November 5, 1998, and February 17, 1999, the Board issued orders requiring the three investor-owned electric utilities, IES Utilities Inc., MidAmerican Energy Company, and Interstate Power Company, to file additional information regarding coal inventories. Each utility filed the required information.

It is apparent from the reports that while inventory levels generally have experienced some modest increase, some problems remain. Inventory levels at all plants have not increased as quickly as anticipated. The Board is particularly concerned with current coal inventory levels because of the added uncertainty that Year 2000 considerations present. The Board, in connection with its Year 2000

inquiry and preparation, has asked all utilities with coal-fired generation to respond to questions regarding coal inventory levels and contingency plans. Because the Board is continuing to examine coal inventory levels, the Board will keep the 1998 ARC dockets open in the event further action is required to deal with the coal inventory levels of investor-owned utilities as January 1, 2000, approaches.

IT IS THEREFORE ORDERED:

The 1998 ARC dockets will remain open until after the Board has reviewed the utilities' Year 2000 coal inventory reports that are to be filed on or before July 2, 1999. After reviewing the reports, the Board will determine what additional proceedings, if any, are needed in the 1998 ARC dockets.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr.
Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 22nd day of June, 1999.